

PREET BHARARA
United States Attorney for the
Southern District of New York
By: SARAH E. PAUL
 NIKETH VELAMOOR

Assistant United States Attorneys
One St. Andrew's Plaza
New York, New York 10007

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - -x

UNITED STATES OF AMERICA,	:	
	:	
Plaintiff,	:	<u>VERIFIED COMPLAINT</u>
	:	
-v.-	:	16 Civ. _____
	:	
\$3,417,469 in United States	:	
Currency,	:	
	:	
Defendant <i>in rem</i> .	:	
- - - - -	:	

Plaintiff United States of America, by its attorney, PREET BHARARA, United States Attorney for the Southern District of New York, for its Verified Complaint (the "Complaint") alleges, upon information and belief, as follows:

I. JURISDICTION AND VENUE

1. This action is brought by the United States of America pursuant to 18 U.S.C. § 981(a)(1)(C), seeking the forfeiture of \$3,417,469 in United States Currency (the "Defendant Funds").

2. This Court has jurisdiction pursuant to 28 U.S.C. §§ 1345 and 1355.

3. Venue is proper pursuant to 28 U.S.C. § 1355(b)(1)(A) because acts and omissions giving rise to the forfeiture took place in the Southern District of New York.

II. NATURE OF THE ACTION

4. As alleged in *United States v. Cayman National Securities Ltd. and Cayman National Trust Co. Ltd.*, 16 Cr. 195 (TPG) (the "Information," attached as Exhibit A and incorporated by reference herein), from at least in or about 2001, up through and including in or about 2011, Cayman National Securities Ltd. ("CNS") and Cayman National Trust Co. Ltd. ("CNT"), which provided investment brokerage, company, and trust management services, respectively, in the Cayman Islands, conspired with others known and unknown to defraud the United States of certain taxes due and owing by concealing from the United States Internal Revenue Service ("IRS") undeclared accounts owned by U.S. taxpayers at CNS and CNT.

5. On or about March 9, 2016, the United States Attorney's Office for the Southern District of New York (the "Office") entered into plea agreements with CNS and CNT, respectively (the "CNS Plea Agreement" and the "CNT Plea Agreement," attached as Exhibits B and C, respectively, and

incorporated by reference herein). On or about March 9, 2016, CNS and CNT pled guilty pursuant to those plea agreements before the Honorable Thomas P. Griesa.

6. As set forth in the Information, CNS, CNT, and others used the U.S. mails, private and commercial interstate carriers, and interstate wire communications in furtherance of a scheme to defraud.

7. Pursuant to CNS Plea Agreement and the CNT Plea Agreement, CNS and CNT agreed, collectively, to transfer \$3,417,469 in United States Currency (the "Defendant Funds") to the United States Treasury. The Defendant Funds represent gross proceeds earned by CNS and CNT in connection with their scheme to defraud the United States as set forth in the Information.

III. CLAIM FOR FORFEITURE

8. The allegations contained in paragraphs one through seven of this Verified Complaint are incorporated by reference herein.

9. Title 18, United States Code, Section 981(a)(1)(C) subjects to forfeiture "[a]ny property, real or personal, which constitutes or is derived from proceeds traceable to a violation of . . . any offense constituting "specified unlawful activity" (as defined in section 1956(c)(7) of this title), or a conspiracy to commit such offense."

10. "Specified unlawful activity" is defined in 18 U.S.C. § 1956(c)(7) to include any offense under 18 U.S.C. § 1961(1). Section 1961(1) lists as offenses both mail fraud (18 U.S.C. § 1341) and wire fraud (18 U.S.C. § 1343).

11. By reason of the above, the Defendant Funds are subject to forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C).

Dated: New York, New York
March 9, 2016

PREET BHARARA
United States Attorney for
Plaintiff United States of America

By:



SARAH E. PAUL
NIKETH VELAMoor
Assistant United States Attorneys
One St. Andrew's Plaza
New York, New York 10007
(212) 637-2200

